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No. 76

## TREASURY DEPARTMENT.

## Bureau of Internal Revenue.

[T. D. 4649]

WITHHOLDING OF INCOME TAX UNDER SECTIONS 143 AND 144  
OF THE REVENUE ACT OF 1936*Collectors of Internal Revenue and Others Concerned:*

Paragraph A. The Revenue Act of 1936 (Public, No. 740, Seventy-fourth Congress, second session, H. R. 12395), was approved by the President, June 22, 1936, 9 p. m. eastern standard time.

Paragraph B. Section 143 (Title I, Income Tax) of the Act, relating to withholding of tax at the source, provides:

SEC. 143. WITHHOLDING OF TAX AT SOURCE.—(a) *Tax-Free Covenant Bonds.*—

(1) *Requirement of withholding.*—In any case where bonds, mortgages, or deeds of trust, or other similar obligations or a corporation, issued before January 1, 1934, contain a contract or provision by which the obligor agrees to pay any portion of the tax imposed by this title upon the obligee, or to reimburse the obligee for any portion of the tax, or to pay the interest without deduction for any tax which the obligor may be required or permitted to pay thereon, or to retain therefrom under any law of the United States, the obligor shall deduct and withhold a tax equal to 2 per centum of the interest upon such bonds, mortgages, deeds of trust, or other obligations, whether such interest is payable annually or at shorter or longer periods, if payable to an individual, a partnership, or a foreign corporation not engaged in trade or business within the United States and not having any office or place of business therein: *Provided*, That if the liability assumed by the obligor does not exceed 2 per centum of the interest, then the deduction and withholding shall be at the following rates: (A) 10 per centum in the case of a nonresident alien individual (except that such rate shall be reduced, in case of a resident of a contiguous country, to such rate, not less than 5 per centum, as may be provided by treaty with such country), or of any partnership not engaged in trade or business within the United States and not having any office or place of business therein and composed in whole or in part of nonresident aliens, (B) in the case of such a foreign corporation, 15 per centum, and (C) 2 per centum in the case of other individuals and partnerships: *Provided further*, That if the owners of such obligations are not known to the withholding agent the Commissioner may authorize such deduction and withholding to be at the rate of 2 per centum, or, if the liability assumed by the obligor does not exceed 2 per centum of the interest, then at the rate of 10 per centum.

(2) *Benefit of credits against net income.*—Such deduction and withholding shall not be required in the case of a citizen or resident entitled to receive such interest, if he files with the withholding agent on or before February 1 a signed notice in writing claiming the benefit of the credits provided in section 25 (b); nor in the case of a nonresident alien individual if so provided for in regulations prescribed by the Commissioner under section 215.

(3) *Income of obligor and obligee.*—The obligor shall not be allowed a deduction for the payment of the tax imposed by this title, or any other tax paid pursuant to the tax-free covenant clause, nor shall such tax be included in the gross income of the obligee.

(b) *Nonresident aliens.*—All persons, in whatever capacity acting, including lessees or mortgagors of real or personal property, fiduciaries, employers, and all officers and employees of the United States, having the control, receipt, custody, disposal, or payment of interest (except interest on deposits with persons carrying on the banking business paid to persons not engaged in business in the United States and not having an office or place of business therein), dividends, rent, salaries, wages, premiums, annuities, compensations, remunerations, emoluments, or other fixed or determinable annual or periodical gains, profits, and income (but only to the extent that any of the above items constitutes gross income from sources within the United States), of any nonresident alien individual, or of any partnership not engaged in trade or business within the United States and not having any office or place of business therein and composed in whole or in part of nonresident aliens, shall (except in the cases provided for in subsection (a) of this section and except as otherwise provided in regulations prescribed by the Commissioner under section 215) deduct and withhold from such annual or periodical gains, profits, and income a tax equal to 10 per centum thereof, except that such rate shall be reduced, in the case of a nonresident alien individual a resident of a contiguous country, to such rate (not less than 5 per centum) as may be provided by treaty with such country: *Provided*, That no such deduction or withholding shall be required in the case of dividends paid by a foreign corporation unless (1) such corporation is engaged in trade or business within the United States or has an office or

place of business therein, and (2) more than 85 per centum of the gross income of such corporation for the three-year period ending with the close of its taxable year preceding the declaration of such dividends (or for such part of such period as the corporation has been in existence) was derived from sources within the United States as determined under the provisions of section 119: *Provided further*, That the Commissioner may authorize such tax to be deducted and withheld from the interest upon any securities the owners of which are not known to the withholding agent. Under regulations prescribed by the Commissioner, with the approval of the Secretary, there may be exempted from such deduction and withholding the compensation for personal services of nonresident alien individuals who enter and leave the United States at frequent intervals.

(c) *Return and payment.*—Every person required to deduct and withhold any tax under this section shall make return thereof on or before March 15 of each year and shall on or before June 15, in lieu of the time prescribed in section 56, pay the tax to the official of the United States Government authorized to receive it. Every such person is hereby made liable for such tax and is hereby indemnified against the claims and demands of any person for the amount of any payments made in accordance with the provisions of this section.

(d) *Income of recipient.*—Income upon which any tax is required to be withheld at the source under this section shall be included in the return of the recipient of such income, but any amount of tax so withheld shall be credited against the amount of income tax as computed in such return.

(e) *Tax paid by recipient.*—If any tax required under this section to be deducted and withheld is paid by the recipient of the income, it shall not be re-collected from the withholding agent; nor in cases in which the tax is so paid shall any penalty be imposed upon or collected from the recipient of the income or the withholding agent for failure to return or pay the same, unless such failure was fraudulent and for the purpose of evading payment.

(f) *Refunds and credits.*—Where there has been an overpayment of tax under this section any refund or credit made under the provisions of section 322 shall be made to the withholding agent unless the amount of such tax was actually withheld by the withholding agent.

(g) *Withholding before enactment of act.*—Notwithstanding the provisions of subsections (a) and (b), the deduction and withholding for any period prior to the tenth day after the date of the enactment of this Act shall be upon the items of income and at the rates prescribed in section 143 (a) and (b) of the Revenue Act of 1934, as amended, in lieu of the items and rates prescribed in such subsections.

Paragraph C. Section 144 (Title I, Income Tax) of the Act, relating to payment of corporation income tax at the source, provides:

SEC. 144. PAYMENT OF CORPORATION INCOME TAX AT SOURCE.—(a) *General Rule.*—In the case of foreign corporations subject to taxation under this title not engaged in trade or business within the United States and not having any office or place of business therein, there shall be deducted and withheld at the source in the same manner and upon the same items of income as is provided in section 143 a tax equal to 15 per centum thereof, except that in the case of dividends the rate shall be 10 per centum, and except that in the case of corporations organized under the laws of a contiguous country such rate of 10 per centum with respect to dividends shall be reduced to such rate (not less than 5 per centum) as may be provided by treaty with such country; and such tax shall be returned and paid in the same manner and subject to the same conditions as provided in that section: *Provided*, That in the case of interest described in subsection (a) of that section (relating to tax-free covenant bonds) the deduction and withholding shall be at the rate specified in such subsection.

(b) *Withholding Before Enactment of Act.*—Notwithstanding the provisions of subsection (a), the deduction and withholding for any period prior to the tenth day after the date of the enactment of this Act shall be upon the items of income and at the rates prescribed in section 144 of the Revenue Act of 1934, as amended, in lieu of the items and rates prescribed in such subsection.

Paragraph D. Section 147 (b) (Title I, Income Tax) of the Act, relating to returns of information at the source, provides:

SEC. 147. INFORMATION AT SOURCE.— \* \* \*

(b) *Returns Regardless of Amount of Payment.*—Such returns may be required, regardless of amounts, (1) in the case of payments of interest upon bonds, mortgages, deeds of trust, or other similar obligations of corporations, and (2) in the case of collections of items (not payable in the United States) of interest upon the bonds of foreign countries and interest upon the bonds of and dividends from foreign corporations by persons undertaking as a matter of business or for profit the collection of foreign payments of such interest or dividends by means of coupons, checks, or bills of exchange.

Paragraph E. Section 62 (Title I, Income Tax) of the Act, relating to rules and regulations, provides:

SEC. 62. RULES AND REGULATIONS.—The Commissioner, with the approval of the Secretary, shall prescribe and publish all needful rules and regulations for the enforcement of this title.

Paragraph F. Pursuant to the above-quoted provisions of the Act, the following regulations are hereby prescribed with respect to withholding of tax at the source:

**ARTICLE 1. Domestic, foreign, resident, and nonresident persons.**—For the purpose of these regulations, a domestic corporation is one organized or created in the United States, including only the States, the Territories of Alaska and Hawaii, and the District of Columbia, or under the law of the United States or of any State or Territory, and a foreign corporation is one which is not domestic. A foreign corporation engaged in trade or business within the United States, or having an office or place of business therein, is referred to in these regulations as a resident foreign corporation, and a foreign corporation not engaged in trade or business within the United States and not having any office or place of business therein, as a nonresident foreign corporation. A partnership engaged in trade or business within the United States or having an office or place of business therein is referred to in these regulations as a resident partnership, and a partnership not engaged in trade or business within the United States, and not having any office or place of business therein, as a nonresident partnership. As used in these regulations, the term "nonresident alien" includes a nonresident alien individual and a nonresident alien fiduciary.

**ART. 2. Withholding tax at source.**—(a) *Withholding in general.*—Withholding of a tax of 10 per cent is required in the case of fixed or determinable annual or periodical income paid to a nonresident alien or to a nonresident partnership, composed in whole or in part of nonresident alien individuals, except: (1) income from sources without the United States, including interest on deposits with persons carrying on the banking business paid to persons not engaged in business in the United States and not having any office or place of business therein, (2) interest upon bonds or other obligations of a corporation containing a tax-free covenant and issued before January 1, 1934, (3) dividends paid by a foreign corporation unless (a) such corporation is engaged in trade or business within the United States or has an office or place of business therein, and (b) more than 85 percent of the gross income of such corporation for the three-year period ending with the close of its taxable year preceding the declaration of such dividends (or for such part of such period as the corporation has been in existence) was derived from sources within the United States, as determined under the provisions of section 119, (4) dividends distributed by a corporation organized under the China Trade Act, 1922, to a resident of China, and (5) except that such rate of 10 per cent shall be reduced, in the case of a resident of a contiguous country, to such rate, not less than 5 per cent, as may be provided by treaty with such country.

A tax of 10 per cent must be withheld from interest on bonds or securities not containing a tax-free covenant, or containing a tax-free covenant and issued on or after January 1, 1934, if the owner is unknown to the withholding agent, except where such interest represents income from sources without the United States.

For withholding in the case of income paid to nonresident foreign corporations see article 11.

Resident or domestic fiduciaries are required to deduct the income tax at the source from all fixed or determinable annual or periodical gains, profits, and income paid to nonresident alien beneficiaries, to the extent that such items constitute gross income from sources within the United States. Income paid to a nonresident alien fiduciary which is otherwise subject to the withholding provisions of the Act is not exempt from withholding by reason of the fact that the beneficiaries of the income are citizens or residents of the United States.

A debtor corporation having an issue of bonds or other similar obligations which appoints a duly authorized agent to act in its behalf under the withholding provisions of the Act, is required to file notice of such appointment with the Commissioner of Internal Revenue, Sorting Section, Washington, D. C., giving the name and address of the agent.

If in connection with the sale of its property, payment of the bonds or other obligations of a corporation is assumed

by the assignee, such assignee, whether an individual, partnership, or corporation, must deduct and withhold such taxes as would be required to be withheld by the assignor had no such sale or transfer been made.

For withholding in the case of dividends distributed by a corporation organized under the China Trade Act, 1922, see articles 4 and 12.

(b) *Tax-free covenant bonds issued before January 1, 1934.*—The withholding provisions of section 143 (a) (1) are applicable only to bonds, mortgages, or deeds of trust, or other similar obligations of a corporation which were issued before January 1, 1934, and which contain a tax-free covenant. For the purpose of section 143 (a) (1) bonds, mortgages, or deeds of trust, or other similar obligations of a corporation are issued when delivered. If a broker or other person acts as selling agent of the obligor the obligation is issued when delivered by the agent to the purchaser. If a broker or other person purchases the obligation outright for the purpose of holding or reselling it, the obligation is issued when delivered to such broker or other person. In order that the date of issue of bonds, mortgages, or deeds of trust, or other similar obligations of corporations, containing a tax-free covenant may be readily determined by the owner, for the purpose of preparing the ownership certificates required under these regulations the "issuing" or debtor corporation shall indicate, by an appropriate notation, the date of issue or use the phrase, "Issued on or after January 1, 1934", on each such obligation or in a statement accompanying the delivery of such obligation.

In cases where on or after January 1, 1934, the maturity date of bonds or other obligations of a corporation is extended, the bonds shall be considered to have been issued on or after January 1, 1934. The interest on such obligations is not subject to the withholding provisions of section 143 (a) but falls within the class of interest described in section 143 (b).

In the case of interest upon bonds or other obligations of a corporation containing a tax-free covenant and issued before January 1, 1934, paid to an individual, fiduciary, or a partnership, whether resident or nonresident, withholding of a tax of 2 percent is required, except that if the liability assumed by the obligor in connection with such a covenant does not exceed 2 percent of the interest, withholding is required at the rate of 10 percent in the case of a nonresident alien, or a nonresident partnership composed in whole or in part of nonresident alien individuals, or if the owner is unknown to the withholding agent. The rates of withholding applicable to the interest on bonds or other obligations of a corporation containing a tax-free covenant, and issued before January 1, 1934, are applicable to interest on such obligations issued by a domestic corporation or a resident foreign corporation. However, withholding is not required in the case of interest payments on such bonds or obligations if such interest is not to be treated as income from sources within the United States under section 119 (a) (1) (B) of the Act, and the payments are made to a nonresident alien or a partnership composed in whole of nonresident aliens. A nonresident foreign corporation having a fiscal or paying agent in the United States is required to withhold a tax of 2 percent upon the interest on its tax-free covenant bonds issued before January 1, 1934, paid to a citizen or resident of the United States, individual, or fiduciary, or a partnership any member of which is a citizen or resident.

For withholding in the case of interest upon bonds or other obligations of a corporation containing a tax-free covenant and issued before January 1, 1934, paid to nonresident foreign corporations see article 11.

Bonds issued under a trust deed containing a tax-free covenant are treated as if they contain such a covenant. If neither the bonds nor the trust deeds given by the obligor to secure them contain a tax-free covenant, supplemental agreements executed by the obligor corporation and the trustee containing a tax-free covenant which modify the original trust deeds to that extent are of the same effect from the date of their proper execution as if they had been part of the original deeds of trust, and the bonds from such date are subject to the provisions of section 143 (a), provided ap-

appropriate authority exists for the modification of the trust deeds in this manner. The authority must be contained in the original trust deeds or actually secured from the bondholders.

In the case of corporate bonds or other obligations containing a tax-free covenant, issued before January 1, 1934, the corporation paying a Federal tax, or any part of it, for someone else pursuant to its agreement is not entitled to deduct such payment from gross income on any ground nor shall the tax so paid be included in the gross income of the bondholder. The amount of the tax may nevertheless be claimed by the bondholder as a credit against the total amount of income tax due in accordance with section 143 (d). In the case, however, of corporate bonds or other obligations containing an appropriate tax-free covenant, the corporation paying for someone else, pursuant to its agreement, a State tax or any tax other than a Federal tax may deduct such payment as interest paid on indebtedness.

(c) *Withholding under Revenue Act of 1934, as amended.*—The withholding provisions of section 143 and section 144 of the Revenue Act of 1936 (which are merely administrative provisions providing for the collection at the source of the tax imposed under other sections of the Act) do not apply for any period prior to the tenth day after the date of the enactment of that Act, that is, for any period prior to July 2, 1936. For such prior period withholding shall be upon the items of income and at the rates provided by the Revenue Act of 1934, as amended.

ART. 3. *Fixed or determinable, annual or periodical income.*—Only fixed or determinable annual or periodical income is subject to withholding. The Act specifically includes in such income, interest, dividends, rent, salaries, wages, premiums, annuities, compensations, remunerations, and emoluments. But other kinds of income are included, as, for instance, royalties.

Income is fixed when it is to be paid in amounts definitely predetermined. Income is determinable whenever there is a basis of calculation by which the amount to be paid may be ascertained. The income need not be paid annually if it is paid periodically; that is to say, from time to time, whether or not at regular intervals. That the length of time during which the payments are to be made may be increased or diminished in accordance with someone's will or with the happening of an event does not make the payments any the less determinable or periodical. A salesman working by the month for a commission on sales which is paid or credited monthly receives determinable periodical income. The distributable share of the income of an estate or trust from sources within the United States paid by a fiduciary to a nonresident alien beneficiary constitutes fixed or determinable annual or periodical income within the meaning of section 143 (b). The income derived from the sale in the United States of property, whether real or personal, is not fixed or determinable annual or periodical income.

ART. 4 (a). *Exemption from withholding.*—Withholding from interest on corporate bonds or other obligations issued prior to January 1, 1934, containing a tax-free covenant shall not be required in the case of a citizen or resident if he files with the withholding agent when presenting interest coupons for payment, or not later than February 1 following the taxable year, an ownership certificate on Form 1000 stating that his net income does not exceed his personal exemption and credit for dependents. To avoid inconvenience a resident alien should file a certificate of residence on Form 1078 with withholding agents, who shall forward such certificates to the Commissioner of Internal Revenue, Sorting Section, Washington, D. C., with a letter of transmittal.

The income of domestic corporations and of resident foreign corporations is free from withholding.

No withholding from dividends paid by a corporation organized under the China Trade Act, 1922, is required unless the dividends are treated as income from sources within the United States under section 119 of the Act and are distributed to—

(1) A nonresident alien other than a resident of China at the time of such distribution;

(2) A nonresident partnership composed in whole or in part of nonresident aliens (other than a partnership resident in China); or

(3) A nonresident foreign corporation (other than a corporation resident in China).

The salary or other compensation for personal services of a nonresident alien individual who enters and leaves the United States at frequent intervals, shall not be subject to deduction and withholding of income tax at the source, provided he is a resident of Canada or Mexico. Such a nonresident alien shall file on Form 1040B, with the collector of internal revenue for the district in which he is employed, a true and accurate return of his total income from all sources within the United States, including the compensation for personal services rendered in the United States.

The following items of fixed or determinable annual or periodical income from sources within the United States received by a citizen of France residing in France, or a corporation organized under the laws of France, are not subject to the withholding provisions of the Revenue Act of 1936, since such income is exempt from Federal income tax under the provisions of the convention and protocol between the United States and France, signed April 27, 1932, and effective January 1, 1936 (C. B. XIV-2, 535):

(1) Amounts paid as consideration for the right to use patents, secret processes and formulas, trade marks and other analogous rights;

(2) Income received as copyright royalties; and

(3) Private pensions and life annuities.

The items of fixed and determinable income enumerated above paid to citizens of France residing in France and corporations organized under the laws of France are not subject to the withholding provisions of the Revenue Act of 1936. The person paying such income should be notified by letter from the French citizen or corporation, as the case may be, that the income is exempt from taxation under the provisions of the convention and protocol referred to above. Such letter from a citizen of France shall contain his address and a statement that he is a citizen of France residing in France. The letter from such corporation shall contain the address of its office or place of business and a statement that it is a corporation organized under the laws of the Republic of France, and shall be signed by an officer of the corporation giving his official title. The letter of notification or a copy thereof should be immediately forwarded by the recipient to the Commissioner of Internal Revenue, Sorting Section, Washington, D. C.

(b) *Discontinuance of exemption certificates.*—A nonresident alien individual not engaged in trade or business within the United States and not having an office or place of business therein is subject to the tax imposed by section 211 (a) of the Act on gross income and is not entitled to any personal exemption or credit for dependents. Although a nonresident alien individual who is engaged in trade or business within the United States or has an office or place of business therein is entitled to the personal exemption of \$1,000 (and a credit for dependents if he is a resident of Canada or Mexico), he is subject to the normal tax and the surtax imposed by sections 11 and 12 of the Act by reason of the provisions of section 211 (b) and the benefit of the personal exemption and credit for dependents may not be received by filing a claim therefor with the withholding agent. Accordingly, the use of exemption certificates by nonresident alien individuals as provided for in prior regulations is hereby discontinued. For relief from withholding with respect to compensation for personal services in the case of nonresident aliens, residents of Canada or Mexico, who enter and leave the United States at frequent intervals, see article 4 (a).

ART. 5. *Ownership certificates for bond interest.*—In accordance with the provisions of section 147 (b), citizens and resident individuals and fiduciaries, resident partnerships

and nonresident partnerships all of the members of which are citizens or residents, owning bonds, mortgages, or deeds of trust, or other similar obligations issued by a domestic corporation, a resident foreign corporation, or a nonresident foreign corporation having a fiscal agent or a paying agent in the United States, when presenting interest coupons for payment shall file ownership certificates for each issue of such obligations regardless of the amount of the coupons.

In the case of interest payments on overdue coupon bonds, the interest coupons of which have been exhausted, ownership certificates are required to be filed when collecting the interest in the same manner as if interest coupons were presented for collection.

In all cases where the owner of bonds, mortgages, or deeds of trust, or other similar obligations of a corporation is a nonresident alien, a nonresident partnership composed in whole or in part of nonresident aliens, a nonresident foreign corporation, or where the owner is unknown, an ownership certificate for each issue of such obligations shall be filed when interest coupons for any amount are presented for payment. The ownership certificate is required whether or not the obligation contains a tax-free covenant. However, ownership certificates need not be filed by a nonresident alien, a partnership composed in whole of nonresident aliens, or a nonresident foreign corporation in connection with interest payments on such bonds, mortgages, or deeds of trust or other similar obligations of a domestic or resident foreign corporation qualifying under section 119 (a) (1) (B) of the Revenue Act of 1936, or of a nonresident foreign corporation.

The ownership certificate shall show the name and address of the debtor corporation, the name and address of the owner of the obligations, a description of the obligations, the amount of interest and its due date, the rate at which tax is to be withheld, and the date upon which the interest coupons were presented for payment.

Ownership certificates need not be filed in the case of interest payments on obligations of a State, Territory, or any political subdivision thereof, or the District of Columbia; or obligations of a corporation organized under Act of Congress, if such corporation is an instrumentality of the United States; or the obligations of the United States or its possessions. (See section 22 (b) (4) of the Act.) Ownership certificates are not required to be filed in connection with interest payments on bonds, mortgages, or deeds of trust, or other similar obligations issued by an individual or a partnership. Ownership certificates are not required where the owner is a domestic corporation, a resident foreign corporation, or a foreign government.

When interest coupons detached from corporate bonds are received unaccompanied by ownership certificates, unless the owner of the bonds is known to the first bank to which the coupons are presented for payment, and the bank is satisfied that the owner is a person who is not required to file an ownership certificate, the bank shall require of the payee a statement showing the name and address of the person from whom the coupons were received by the payee, and alleging that the owner of the bonds is unknown to the payee. Such statement shall be forwarded to the Commissioner with the monthly return on Form 1012. The bank shall also require the payee to prepare a certificate on Form 1001, crossing out "owner" and inserting "payee" and entering the amount of the interest on line 3, and shall stamp or write across the face of the certificate "Statement furnished", adding the name of the bank.

Ownership certificates are required in connection with interest payments on registered bonds as in the case of coupon bonds, except that if ownership certificates are not furnished by the owner of such bonds, ownership certificates must be prepared by the withholding agent.

**ART. 6. Form of certificate for citizens or residents.**—For the purpose of article 5, Form 1000 shall be used in preparing ownership certificates of citizens or residents of the United States (individual or fiduciary), resident partnerships, and nonresident partnerships all of the members of which are citizens or residents. If the obligations are issued

by a nonresident foreign corporation having a fiscal or paying agent in the United States, Form 1000 should be modified to show the name and address of the fiscal agent or the paying agent in addition to the name and address of the debtor corporation.

**ART. 7. Form of certificate for nonresident aliens, nonresident foreign corporations, and unknown owners.**—For the purpose of article 5, Form 1001 shall be used in preparing ownership certificates (a) of nonresident aliens, (b) of nonresident partnerships composed in whole or in part of nonresident aliens, (c) or nonresident foreign corporations, and (d) where the owner is unknown.

For the purpose of this article and articles 5, 6, and 9, existing ownership certificate forms, properly modified, may be used pending the issuance of revised forms.

**ART. 8. Return and payment of tax withheld.**—Every withholding agent shall make on or before March 15 an annual return on Form 1013 of the tax withheld from interest on corporate bonds or other obligations. This return should be filed with the collector for the district in which the withholding agent is located. The withholding agent shall also make a monthly return on Form 1012 on or before the 20th day of the month following that for which the return is made. The ownership certificates, Forms 1000 and 1001, must be forwarded to the Commissioner with the monthly return. Such of the forms as report interest from which the tax is to be withheld should be listed on the monthly return. While the forms reporting interest from which no tax is to be withheld need not be listed on the return, the number of such forms submitted should be entered in the space provided. If Form 1000 is modified to show the name and address of a fiscal or paying agent in the United States (see article 6), Forms 1012 and 1013 should be likewise modified.

Every person required to deduct and withhold any tax from income other than such bond interest shall make an annual return thereof to the collector on or before March 15 on Form 1042, showing the amount of tax required to be withheld for each nonresident alien, nonresident partnership composed in whole or in part of nonresident aliens, or nonresident foreign corporation to which income other than bond interest was paid during the previous taxable year. Form 1042 should be filed with the collector for the district in which the withholding agent is located. In every case of both classes the tax withheld must be paid on or before June 15 of each year to the collector. For penalties and additions to the tax attaching upon failure to make such returns or such payment, see sections 145 and 291 of the Act.

If a debtor corporation has designated a bank to act for it as withholding agent, and the bank has not collected any tax from the bondholders nor received any funds from the debtor corporation to pay the tax which the debtor corporation assumed in connection with its tax-free covenant bonds, the bank cannot be held liable for the tax merely by reason of its appointment as withholding agent. If a duly authorized withholding agent has become insolvent or for any other reason fails to make payment to the collector of internal revenue of money deposited with it by the debtor corporation to pay taxes, or money withheld from bondholders, the debtor corporation is no discharged of its liability under section 143 (a) (1), since the withholding agent is merely the agent of the debtor corporation.

**ART. 9. Ownership certificates in the case of fiduciaries and joint owners.**—If fiduciaries have the control and custody of more than one estate or trust, and such estates and trusts have as assets bonds of corporations and other securities, a certificate of ownership shall be executed for each estate or trust, regardless of the fact that the bonds are of the same issue. The ownership certificate should show the name of the estate or trust, in addition to the name and address of the fiduciary. If bonds are owned jointly by two or more persons, a separate ownership certificate must be executed in behalf of each of the owners.

**ART. 10. Return of income from which tax was withheld.**—The entire amount of the income from which the tax was withheld shall be included in gross income in the return made by the recipient of the income without deduction for such payment of the tax. But any tax so withheld shall be



credited against the total income tax as computed in the taxpayer's return. If the tax is paid by the recipient of the income or by the withholding agent it shall not be re-collected from the other, regardless of the original liability therefor, and in such event no penalty will be asserted against either person for failure to return or pay the tax where no fraud or purpose to evade payment is involved.

**ART. 11. Withholding in the case of nonresident foreign corporations.**—A tax of 15 per cent is required to be withheld in the case of fixed or determinable annual or periodical income paid to a nonresident foreign corporation except (1) income from sources without the United States, including interest on deposits by persons carrying on the banking business paid to persons not engaged in business in the United States and not having any office or place of business therein, (2) interest upon bonds or other obligations of a corporation containing a tax-free covenant and issued before January 1, 1934, where the liability assumed by the obligor does not exceed 2 per cent of the interest, and (3) dividends.

Withholding of a tax at the rate of 2 per cent is required in the case of interest payments made to a nonresident foreign corporation, representing income from sources within the United States, paid upon corporate bonds or other obligations containing a tax-free covenant, issued before January 1, 1934, where the liability assumed by the obligor exceeds 2 per cent of the interest.

A tax of 10 per cent is required to be withheld from income from sources within the United States paid to a nonresident foreign corporation which consists of dividends (other than dividends distributed by a corporation organized under the China Trade Act, 1922, to a resident of China) except that such rate of 10 per cent shall be reduced, in the case of corporations organized under the laws of a contiguous country, to such rate (not less than 5 per cent) as may be provided by treaty with such country. Dividends paid by a foreign corporation are not, however, subject to withholding unless such corporation is engaged in trade or business within the United States or has an office or place of business therein and more than 85 per cent of the gross income of such foreign corporation for the three-year period ending with the close of its taxable year preceding the declaration of such dividends (or for such part of such period as the corporation has been in existence) was derived from sources within the United States as determined under the provisions of section 119 of the Act.

For withholding in the case of dividends distributed by a corporation organized under the China Trade Act, 1922, see articles 4 and 12.

**ART. 12. Withholding by a China Trade Act corporation.**—Dividends distributed by a corporation organized under the China Trade Act, 1922, which are treated as income from sources within the United States under the provisions of section 119 of the Act are subject to withholding at the rate of 10 per cent when paid to persons (other than residents of China) who are (1) nonresident aliens, (2) nonresident partnerships composed in whole or in part of nonresident aliens, or (3) nonresident foreign corporations. The 10 per cent rate of withholding specified in this article with respect to dividends shall be reduced in the case of shareholders who are (a) nonresident aliens residents of a contiguous country or (b) nonresident foreign corporations organized under the laws of a contiguous country, to such rate (not less than 5 per cent), as may be provided by treaty with such country.

**ART. 13. Aids to withholding agents in determining liability for withholding of tax.**—Since no withholding of tax on bond interest or other income is required in the case of a resident foreign corporation, the person paying such income should be notified by a letter from such corporation that it is not subject to the withholding provisions of the Act. The letter from the corporation shall contain the address of its office or place of business in the United States and be signed by an officer of the corporation giving his official title. Such letter of notification, or copy thereof, should be immediately forwarded by the recipient to the Commissioner of Internal Revenue, Sorting Section, Washington, D. C.

Although the burden of withholding tax from dividends is placed upon the payor corporation, or any other person (including a nominee), having the control, receipt, custody, disposal, or payment of dividends, if such payor corporation or person has no other reason to believe that the dividends are subject to withholding, the following procedure in general may be adopted:

(1) As to those stockholders whose name and style indicate that they are nonresident aliens, foreign partnerships, or foreign corporations, the tax shall be withheld in all cases if the address of any such stockholder is without the United States.

(2) If the address of such stockholders is in care of an individual, a partnership, or a corporation within the United States, the tax shall likewise be withheld, but as to any stockholder whose address is within the United States, the tax need not be withheld.

[SEAL]

CHAS. T. RUSSELL,

Acting Commissioner of Internal Revenue.

Approved, June 25, 1936.

HENRY MORGENTHAU, JR.,

Secretary of the Treasury.

[F. R. Doc. 1015—Filed, June 26, 1936; 12:39 p. m.]

## DEPARTMENT OF THE INTERIOR.

### National Park Service.

#### RULES AND REGULATIONS

Made, published, and approved by the Secretary of the Interior on the 18th day of June 1936, and to continue in force and effect until otherwise directed by the said Secretary.

#### GENERAL PROVISIONS

Pursuant to the authority granted to the Secretary of the Interior by the Act of August 25, 1916 (ch. 408, sec. 3, 39 Stat. 535), as amended by the Act of June 2, 1920 (ch. 218, sec. 5, 41 Stat. 731), and by the Act of March 7, 1928 (ch. 137, sec. 1, 45 Stat. 200, 235); and pursuant to the authority granted to the Secretary of War by the Act of March 2, 1933 (ch. 180, 47 Stat. 1420), and transferred to the Secretary of the Interior by Executive Order No. 6166, June 10, 1933, as interpreted by Executive Order No. 6228, July 28, 1933, under the authority of the Act of March 3, 1933 (ch. 212, sec. 403, 47 Stat. 1489, 1518); and pursuant to the authority granted to the Secretary of the Interior by various Acts of Congress relating to particular parks, monuments, and reservations; the following regulations are hereby made and published for the proper use, management, government, and protection of, and maintenance of good order in all the National Parks, National Monuments, National Military Parks, National Historical Parks, Battlefield Sites, and miscellaneous memorials which are, or hereafter may be, under the administrative jurisdiction of the National Park Service of the Department of the Interior: *Provided, however,* That these rules and regulations shall not apply to National Cemeteries or to National Capital Parks. All previous rules and regulations (except the uniform rules and regulations prescribed December 28, 1906, by the Secretaries of the Interior, Agriculture, and War, to carry out the provisions of the "Act for the Preservation of American Antiquities", approved June 8, 1906 (34 Stat. 225), and except such local subsidiary regulations as are continued in force under the provisions hereof), for such National Parks, National Monuments, National Military Parks, National Historical Parks, Battlefield Sites, and miscellaneous memorials, are hereby repealed.

**Definitions.**—The term "park", when used in these rules and regulations, unless otherwise indicated, shall be construed to include National Parks, National Military Parks, and National Historical Parks; and the term "monument", when used in these rules and regulations, unless otherwise indicated, shall be construed to include National Monuments,

Battlefield Sites, and miscellaneous memorials. The term "superintendent", when used in these rules and regulations, shall be construed to include a custodian, caretaker, or other person in charge of a National Park, National Monument, National Military Park, National Historical Park, Battlefield Site, or miscellaneous memorial.

1. *Preservation of public property, natural features and curiosities.*—The destruction, injury, defacement, removal, or disturbance in any way of any public building, sign, equipment, monument, statue, marker, or other structure, or of any tree, flower, vegetation, rock, mineral, formation, stalactite, stalagmite, phenomenon of crystallization, incrustation in any lava tube, cave, steam vent, or cone, or of any animal, bird, or other wildlife, or of any ruins or relics, or of any other public property of any kind is prohibited: *Provided*, That flowers may be gathered in small quantities when, in the judgment of the superintendent or custodian, their removal will not impair the beauty of the park or monument. Before any flowers are picked, permit must be secured from the superintendent or custodian.

Sequoia cones shall not be disturbed, or removed from any national park or monument.

No canes, umbrellas, or sticks of any kind may be taken into caves or caverns. The tossing or throwing of rocks or other material inside the caves or caverns is prohibited.

Collections for scientific or educational purposes shall be permitted only in accordance with written permits first had and obtained from the superintendent.

Bona-fide claimants or entrymen claiming or owning land reasonably adjacent to Grand Teton National Park must secure written permits before cutting any dead or down timber within the park, and are restricted to cutting such timber for firewood for their own consumption.

Visitors in Hawaii National Park may, with the permission of the park superintendent, pick and eat, or carry away, such fruits as the superintendent may designate.

2. *Camping.*—(a) No camping is permitted outside the specially designated camp sites, except when necessary in connection with trips to isolated sections of the parks and monuments.

(b) No person, party, or organization shall be permitted to camp in any public camping area in the parks or monuments more than 30 days in any calendar year.

(c) Campers shall keep their campgrounds clean. Combustible rubbish shall be burned on camp fires and all other garbage and refuse of all kinds shall be placed in garbage cans provided for the purpose. At new or unfrequented camps, garbage shall be burned or buried.

(d) Campers and others shall not wash clothing or cooking utensils in, or pollute in any other manner, the waters of the parks or monuments. Bathing in any of the streams or lakes near the regularly travelled thoroughfares in the parks and monuments is not permitted without suitable bathing clothes.

(e) Saddle, pack, or draft animals shall not be kept in or near any camping area. No such animals shall be kept on the floor of Yosemite Valley except in the operator's corral.

(f) Only in areas designated by the park superintendent may campers use any dead or fallen timber for fuel, except that Sequoia wood or bark shall not be disturbed for any purpose.

(g) The installation of permanent camping facilities by visitors is prohibited in all parks and monuments. The digging or leveling of the ground in any camp site without a ranger's permission is prohibited.

(h) Camps must be completely razed and the sites cleaned before the departure of campers. In dismantling camps, all material, such as poles, bark, planks, platforms, etc., used in construction of temporary camps must be removed, and, if combustible, must be piled on the public camp woodpiles.

(i) Campers shall not leave their camps unattended for more than 48 hours without special permission of the superintendent, obtained in advance. Camping equipment left unattended in any public camping area for 48 hours or more is subject to removal by order of the superintendent,

the expense of such removal to be paid by the person or persons leaving such equipment.

(j) No camp may be established in a park or monument and used as a base for hunting outside such park or monument.

(k) No camp shall be placed within 25 feet of any well-defined water course, water hydrant, or main road.

(l) Any article likely to frighten horses shall not be hung near a road or trail used by horses.

(m) The superintendents or custodians may, with the approval of the Director of the National Park Service, establish hours during which quiet must be maintained at any camp, and prohibit the running of motors at or near a camp during such hours.

(In Hot Springs National Park, the superintendent may establish the hours during which bathing will be permitted in the pool.)

(n) No visitors shall be permitted to camp within the canyon in Canyon de Chelly National Monument.

(o) No camping is permitted in any part of the Muir Woods National Monument, and no hikers or visitors shall enter or remain therein between one-half hour after sunset and one-half hour before sunrise.

3. *Picnicking.*—Picnicking or the eating of lunches is prohibited in restricted areas designated by the superintendent.

4. *Use of park waters.*—In Platt National Park the superintendent may, whenever it becomes necessary to do so, restrict the use of the waters of any of the springs in the park to immediate drinking purposes at such springs.

5. *Sanitation.*—(a) Garbage, papers, or refuse of any kind shall not be thrown or left on or along roads, in camping or picnic areas, or on any other park or monument lands.

(b) All comfort stations shall be used in a clean and sanitary manner.

(c) Contamination of watersheds, of water supplies, or of any water used for drinking purposes is strictly prohibited.

6. *Fires.*—Fires shall not be kindled near or on the roots of trees, dead wood, moss, dry leaves, forest mold, or other vegetable refuse, but in some open space on rocks or earth. On public campgrounds the regular fireplaces constructed for the convenience of visitors must be used. Should camp be made in a locality where no such open space exists or is provided, the dead wood, moss, dry leaves, etc., shall be scraped away to the rock or earth over an area considerably larger than that required for the fire.

Fires shall be lighted only when necessary and, when no longer needed, shall be completely extinguished, and all embers and beds smothered with earth or water, so that there remains no possibility of reignition.

Permission to burn on any cleanup operation within the parks or monuments must first be obtained in writing from the office of the superintendent or custodian, and in such cases as it is deemed advisable such burning will be under Government supervision. All costs of suppression and all damage caused by reason of loss of control of such burning operations shall be paid by the person or persons to whom such permit has been granted.

No lighted cigarette, cigar, pipe heel, match, or other burning material shall be thrown from any vehicle or saddle horse or dropped into any grass, leaves, twigs, tree mold, or other combustible or inflammable material.

Smoking or the building of fires on any lands within the parks or monuments may be prohibited or limited by the superintendent or custodian when, in his judgment, the hazard makes such action necessary.

All persons making trips away from established camps are required to obtain written fire permits from the nearest ranger before building camp fires.

The use of fireworks or firecrackers in the parks and monuments is prohibited, except with the written permission of the superintendent or custodian.

7. *Protection of wildlife.*—The parks and monuments are sanctuaries for wildlife of every sort, and all hunting, or the killing, wounding, frightening, capturing, or attempting to

capture at any time of any wild bird or animal, except dangerous animals when it is necessary to prevent them from destroying human lives or inflicting personal injury, is prohibited within the limits of the parks and monuments.

Unauthorized possession within a part or monument of the dead body or any part thereof of any wild bird or animal shall be prima facie evidence that the person or persons having the same are guilty of violating this regulation.

During the hunting season arrangements must be made at entrance stations to identify and transport through the parks and monuments, where necessary, the carcasses of birds or animals legally killed outside the parks and monuments. Failure to make such arrangements shall be deemed a violation of this regulation.

8. *Firearms, etc.*—Firearms, explosives, traps, seines, and nets are prohibited within the parks and monuments, except upon written permission of the superintendent or custodian. Visitors entering or traveling through the parks and monuments to places beyond shall, at entrance, report and, if required to do so, surrender all such objects in their possession to the first park or monument officer, and, in proper cases, may obtain his written permission to carry them through the park or monument sealed. Failure to obtain such written permission shall be deemed a violation of this regulation. The Government assumes no responsibility for the loss of, or damage to, any such objects so surrendered to any park or monument officer, nor are park or monument officers authorized to accept the responsibility or custody of any other property for the convenience of the visitors.

9. *Fishing.*—Persons desiring to fish in the waters of the Yosemite, Sequoia, Lassen, General Grant, Grand Canyon, Grand Teton, Acadia, Wind Cave, Great Smoky Mountains, Mammoth Cave, and Zion National Parks, and the national monuments under the jurisdiction of the National Park Service must secure a sporting fishing license, as required by the laws of the state in which such park or monument is situated. All fishing in such parks and monuments must be done in conformity with the laws of the state regarding open seasons, size of fish, and the limit of catch, except as otherwise provided in the following paragraphs, which are applicable to all parks and monuments:

Fishing with nets, seines, traps, or by the use of drugs or explosives, or for merchandise or profit, or in any other way than with hook and line, the rod or line being held in hand, is prohibited.

Fishing in particular waters may be suspended, or restricted in regard to the use of particular kinds of bait, when the superintendent or custodian, with the approval of the Director of the National Park Service, shall determine such suspension or restriction necessary and shall post such restrictions or suspensions.

The number of fish that may be taken by one person in any one day from the various lakes and streams may be regulated by the superintendent or custodian, with the approval of the Director of the National Park Service. Unless otherwise determined and posted, the number shall be limited to 10 fish. Possession of more than two days' catch by any person at any one time shall be construed as a violation of this regulation.

No fish less than six inches long may be retained, unless a different limit be determined by the superintendent with the approval of the Director of the National Park Service and posted in the particular park or monument. All fish hooked less than such limit in length shall be carefully handled with moist hands and returned at once to the water if not seriously injured. Undersized fish retained because seriously injured shall be counted in the number of fish which may be taken in one day.

The possession of live minnows, chubs, or other bait fish, or the use thereof as bait, is prohibited in all the national parks and monuments, except Acadia National Park and Fort Jefferson National Monument.

The digging of worms for bait is prohibited in all parks and monuments.

The canning or curing of fish for the purpose of transporting them out of a national park or monument is prohibited.

The possession of fishing tackle upon or along any waters closed to fishing shall be prima facie evidence that the person or persons having such fishing tackle are guilty of unlawful fishing in such closed waters.

Fishing is prohibited in the Muir Woods National Monument.

All waters of the Shenandoah National Park are closed to fishing until further notice. This, however, shall not apply to occupants of or guests at the President's Camp on the Rapidan.

10. *Private operations.*—No person shall reside permanently in a national park or monument. No person, firm, or corporation shall engage in or solicit any business, or erect buildings in the parks or monuments without permission in writing from the Director of the National Park Service, Washington, D. C. Applications for such permission may be addressed to the Director through the superintendents and custodians of the parks and monuments.

In Mount McKinley National Park, prospectors and miners may erect necessary shelter cabins or other structures necessary in mining operations on bona fide locations in the park.

11. *Public speeches.*—No person shall make or deliver any address, speech, or sermon upon any subject whatever in Platt National Park without first obtaining a permit in writing from the superintendent, which permit the superintendent is hereby authorized to issue in proper cases and which shall designate the time and locality where such address, speech, or sermon may be given.

12. *Radios.*—The use of radios in public camps, hotels, or other buildings, or in automobiles is prohibited when audible beyond the immediate vicinity of the radio set. Radios shall not be operated to the annoyance of other persons nor so as to disturb the quiet of camps or other public places. The erection of aërials or other radio installations is prohibited.

13. *Cameras.*—Before still pictures may be taken for commercial purposes and before a motion or sound picture requiring the use of artificial or special settings, or special equipment, or involving the performance of a professional cast, may be filmed in any of the parks or monuments, authority must first be obtained, in writing, from the Secretary of the Interior. Still and motion picture cameras may be freely used by amateurs in the parks and monuments for general scenic purposes.

Superintendents may issue permits to take still and motion pictures in the parks and monuments under their supervision without such previous authorization, by the Secretary of the Interior, in the following circumstances, and on condition that the permittees shall refrain from offering any gratuity of whatsoever nature to any employee of the Government in connection with the exercise of the privilege herein authorized to be granted:

1. Professional photographers and motion-picture cameramen desiring to take scenes of, or events in, the national parks as representatives of news concerns and for bona fide news publication;

2. Professional photographers and motion-picture cameramen desiring to take scenes of, or events in, the national parks, not for sale or for exhibition when paid admissions are charged, but for the purpose of stimulating general or park travel;

3. Professional photographers and motion-picture cameramen desiring to take scenes of, or events in, the national parks, for non-profit educational purposes;

4. Professional photographers desiring to take park scenes for general artistic purposes.

14. *Gambling.*—Gambling in any form, or the operation of gambling devices, whether for merchandise or otherwise, is prohibited.

15. *Advertisements.*—Private notices or advertisements shall not be posted, distributed, or displayed in the parks or monuments, excepting such as the superintendent or custodian may deem necessary for the convenience and guidance of the public.

16. *Mining claims.*—The location of mining claims on lands within the parks and monuments is prohibited, except

in Mount McKinley National Park and in Death Valley National Monument. This regulation is subject to the further exception contained in the Act of Congress approved February 14, 1931 (46 Stat. 1161), reserving to the Navajo Tribe of Indians the mineral rights in the Canyon de Chelly National Monument.

Mining in Mount McKinley National Park may be regulated by the Secretary of the Interior as to surface use of locations under the Act of January 26, 1931 (46 Stat. 1043).

Mining in Death Valley National Monument is subject to the following special regulations, which are prescribed to govern the surface use of claims therein:

(a) The claim shall be occupied and used exclusively for mineral exploration and development and for no other purpose; except that, upon written permission of the Director of the National Park Service, the surface of the claim may be used for other specified purposes, the use to be on such conditions and for such period as may be prescribed when permission is granted.

(b) The owner of the claim and all persons holding under him shall conform to all rules now prescribed or which may be made applicable by the Director of the National Park Service, governing occupancy of lands within the national monument.

(c) The use and occupancy of the surface of mining claims as prescribed above shall apply to all such claims located after the date of the Act of June 13, 1933, within the limits of the national monument as fixed by the proclamation of February 11, 1933, and to all mining claims on lands hereafter included in the National monument, located after such inclusion, so long as such claims are within the boundaries of said monument.

(d) Prospectors or miners shall not open or construct roads or vehicle trails without first obtaining a permit from the Director of the National Park Service. Applications for permits may be made through the custodian of the monument, upon submitting a map or sketch showing the location of the mining property to be served and the location of the proposed road or vehicle trail. The permit may be conditioned upon the permittee's maintaining the road or trail in a passable condition as long as it is used by the permittee or his successors.

17. *Archeologic ruins and objects.*—Visitors shall not be permitted to visit the ruins in Mesa Verde National Park nor to enter the canyon in Canyon de Chelly National Monument unless accompanied by National Park Service employees. The superintendent may waive this requirement in Mesa Verde National Park by issuing a special written permit to persons engaged in scientific studies.

Visitors shall not remove any artifacts or other objects of archeological or historical significance from the place where they may be found, nor purchase any such objects from Indians or others. Any such objects purchased or removed in violation of this regulation shall be delivered to the superintendent or his representative on demand.

18. *Lost articles.*—Persons finding lost articles, other than relics, should deposit them at the office of the superintendent or custodian, or at the nearest ranger station, leaving their own names and addresses, so that if the articles are not claimed by the owners within 60 days, they may be turned over to those who found them.

19. *Private lands.*—Owners of private lands within the limits of any park or monument are entitled to the full use and enjoyment thereof; the boundaries of such lands, however, shall be determined, and marked and defined, so they may be readily distinguished from the park or monument lands. While no limitations or conditions are imposed upon the use of private lands so long as such use does not interfere with or injure the Government lands, private owners shall provide against trespass by their livestock upon lands of the parks or monuments, and all trespasses committed will be punished to the full extent of the law. Stock may be taken over the lands of parks and monuments with the written permission and under the supervision of the superintendent or custodian, but such permission and super-

vision are not required when access to such private lands is had wholly over roads or lands not owned or controlled by the United States.

20. *Grazing.*—The running at large, herding, or grazing of livestock of any kind on the Government lands in the parks and monuments, as well as the driving of livestock over the same, is prohibited, except where authority therefor has been granted by the superintendent or custodian, with the approval of the Director of the National Park Service. The owners of livestock found improperly on the park or monument lands will be prosecuted.

The above regulation is subject to the exception contained in the provisions of the Act of Congress approved February 26, 1929 (45 Stat. 1314), relating to grazing in Grand Teton National Park, and to the exception contained in the Act of Congress approved February 14, 1931 (46 Stat. 1161), reserving to the Navajo Tribe of Indians the right to the surface use of the lands in the Canyon de Chelly National Monument for agricultural, grazing, or other purposes.

No authority may be granted for grazing in the Yellowstone National Park.

21. *Authorized operators.*—All persons, firms, or corporations holding franchises in the parks and monuments shall keep the grounds used by them properly policed and shall maintain the premises in a sanitary condition to the satisfaction of the superintendent or custodian. No operator shall retain in his employment a person whose presence in the park or monument may be deemed by the superintendent or custodian subversive to the good order and management of the park or monument.

All operators shall require each of their public contact employees to wear a metal badge with a number thereon, or other mark of identification. The name and number corresponding therewith, or the identification mark, shall be registered in the office of the superintendent or custodian. These badges must be worn in plain sight.

22. *Fraudulently obtaining accommodations.*—The obtaining of food, lodging, or other accommodations in the national parks and monuments with intent to defraud is forbidden, and such fraudulent intent will be presumed from refusal or neglect to pay therefor on demand, or payment therefor with negotiable paper on which payment is refused, or absconding without paying or offering to pay therefor, or false or fictitious showing or pretense of baggage or other property, or surreptitious removal or attempted removal of baggage.

23. *Dogs and cats.*—(a) Dogs and cats are prohibited on the Government lands in the parks and monuments, except that upon written permission of the superintendent or custodian, secured upon entrance, they may be transported over through roads by persons passing through the parks and monuments provided they are kept under leash, crated, or otherwise under restrictive control of the owner at all times while in the park or monument: *Provided, however,* That employees and others may be authorized by the superintendent or custodian to keep dogs for official purposes in the administrative area of a park or monument, and subject to such further conditions as may be determined by the superintendent or custodian.

(b) Stray dogs or cats running at large in the parks and monuments may be killed to prevent molestation of the wildlife therein.

(c) In Mount McKinley National Park, dogs may be used for hauling, with the permission of the superintendent and subject to the following rights and restrictions: In the winter, prospectors and miners may use such dogs as may be necessary for a reasonable time for heavy hauling of supplies, fuel, timber, and other objects; thereafter each person is limited to seven dogs. In the summer, no dogs are allowed except in special cases. In no case nor at any time shall litters of pups be raised in the park except by special permission of the superintendent. Persons entering the park with dogs must register at McKinley Park entrance, Katishna entrance, or the nearest ranger station, giving such information as may be required by the superintendent.



24. *Bears.*—Feeding of bears in campgrounds and populated areas is prohibited; feeding directly from the hand, touching, teasing, or molesting of bears is prohibited.

25. *Dead animals.*—All domestic or grazed animals that may die on any Government lands in the parks or monuments shall be buried immediately by the owner or person having charge of such animals, at least two feet beneath the ground, and in no case less than one-fourth mile from any camp or thoroughfare.

26. *Pack trains and saddle horse parties.*—(a) No pack train or saddle horse party shall be allowed in Crater Lake, General Grant, Glacier, Grand Canyon, Hawaii, Lassen Volcanic, Mesa Verde, Mount McKinley, Mount Rainier, Rocky Mountain, Yellowstone, Yosemite, Zion, and Bryce Canyon National Parks, unless in charge of an approved guide. Guides may be required to pass on examination prescribed by the superintendent. At the discretion of the superintendent, guides will be permitted to carry unsealed firearms. Prospectors and miners in Mount McKinley National Park are excepted from the operation of this regulation.

(b) No persons may pass through or camp in any of the national parks, except Sequoia and Grand Teton National Parks, using animals or camp equipment not hired from the authorized operators of saddle horse service, where such service is established at the park under contract with the Secretary of the Interior, unless the animals and equipment belong to a member or members of the party, and unless the other members are not renting, or in any way paying for the use of the animals or equipment, and unless the owners are not making the trip under any lease arrangement, and shall satisfy the superintendent that such are the facts.

(c) To conduct or operate, or to cause to be conducted or operated, a saddle horse party into, or to act as guide for any purpose within any of the parks mentioned in paragraph (a) of this regulation, without the written permission of the Director of the National Park Service or the superintendent of the park, is prohibited; and the person or persons so conducting, operating, or causing to be conducted or operated, or acting as guide, shall be subject to the penalties prescribed by law for a violation of these regulations.

No saddle horses shall be permitted in the Muir Woods National Monument on Sundays or holidays.

27. *Begging, soliciting, etc.*—Begging is prohibited within the parks and monuments.

Hitch-hiking is prohibited within the parks and monuments.

Drumming and soliciting within the Hot Springs National Park for any physician, surgeon, or any person publicly professing to relieve, cure, or heal, or for any bathhouse receiving water from the Hot Springs National Park, are prohibited.

28. *Disorderly conduct.*—Persons who render themselves obnoxious by disorderly conduct or bad behavior shall be subject to the punishment hereinafter prescribed for violation of these regulations, and may be summarily removed from the park or monument by the superintendent or custodian.

29. *Improper clothing.*—The wearing of bathing suits, scanty or objectionable clothing, without proper covering, is prohibited in automobiles, on bicycles, in public places, hotels, camps, lodges, villages, or stores. Proper covering is hereby defined as such covering as will be at least the equivalent of sleeveless upper shirt and shorts.

30. *Abandonment of property.*—The abandonment of any personal property in the parks and monuments is prohibited.

31. *Mountain summit climbing.*—In Mount McKinley and Mount Rainier National Parks, mountain climbing shall be undertaken only with the permission of the superintendent of the park. To insure reasonable chances of success, he shall not grant such permission until he is satisfied that all members of the party are properly clothed, equipped, and shod, are qualified physically and through previous experience to make the climb, and that the necessary supplies are carried. No individual will be permitted to start alone for the summit of Mount McKinley or Mount Rainier.

While the Government assumes no responsibility in connection with any kind of accident to mountain-climbing parties, all persons starting to ascend Mount McKinley or

Mount Rainier will fill out an information blank furnished by the superintendent and shall report to him upon return.

When the superintendent deems such action necessary he may prohibit all mountain climbing in the park.

32. *Reports of accidents.*—All accidents of whatever nature shall be reported as soon as possible by the person or persons involved, to the superintendent or at the nearest ranger station.

33. *Guide and elevator fees for Carlsbad caverns.*—In Carlsbad Caverns National Park, no person or persons shall be permitted to enter the caverns unless accompanied by National Park Service employees. Competent guide service is provided for the public by the Government, for which a fee of \$1.50 shall be charged each person entering the caverns: *Provided*, That in proper cases and upon application made in advance, the Director of the National Park Service may authorize admission without charge for service to persons from reputable educational institutions for the purpose of prosecuting class work or studies, or to persons under the support and care of charitable institutions and their attendants. No charge shall be made for children 16 years of age, or under, when accompanied by adults taking responsibility for their safety and orderly conduct while in the caverns.

For the use of the elevator in the caverns, a fee of \$0.50 in each direction shall be charged each person using the same, except children between the ages of five and twelve years, for which half-fare, or \$0.25 in each direction shall be charged. No charge for this service shall be made for children five years of age, or under, when accompanied by adults assuming responsibility for their safety.

34. *Guide and elevator fees for Wind Cave.*—In Wind Cave National Park, no person or persons shall be permitted to enter the cave, unless accompanied by National Park Service employees. Competent guide service is provided for the public by the Government for which a fee of 75¢ shall be charged each adult person entering the cave. The 75¢ fee for adults shall include the use of the elevator: *Provided*, That, in proper cases and upon application made in advance, the Director of the National Park Service may authorize admission without charge for guide and elevator service to persons from reputable educational institutions for the purpose of prosecuting class work or studies, or to persons under the support and care of charitable institutions and their attendants.

Children 16 years of age, or under, when accompanied by adults taking responsibility for their safety and orderly conduct while in the cave shall be charged 25¢ each, including the use of the elevator, except children between the ages of five and twelve years who shall be charged 15¢ each, including the use of the elevator. No charge whatever shall be made for children five years of age, or under, when accompanied by adults assuming responsibility for their safety.

35. *Carrying of firearms by park employees.*—The superintendent or custodian of a park or monument may, in his discretion, permit the carrying of firearms by employees under his administrative jurisdiction when such possession is deemed necessary in the performance of official duties.

36. *Guide fees for Lehman Caves.*—In Lehman Caves National Monument, no person or persons shall be permitted to enter the caves unless accompanied by National Park Service employees. Competent guide service is provided for the public by the Government, for which a fee of \$0.50 shall be charged each person entering the caves, except that when a group of ten or more persons over 16 years of age is guided through the caves at one time, the fee shall be \$0.25 for each person: *Provided*, That in proper cases and upon application made in advance, the Director of the National Park Service may authorize admission without charge for guide service to persons from reputable educational institutions for the purpose of prosecuting class work or studies, or to persons under the support and care of charitable institutions and their attendants. No charge shall be made for children 16 years of age, or under, when accompanied by adults assuming responsibility for their safety and orderly conduct while in the caves.

## TRAFFIC

37. *Travel on trails.*—Pedestrians on trails shall remain quiet when saddle or pack animals are passing.

Persons traveling on the trails of the parks or monuments, either on foot or on saddle animals, shall not make short cuts, but shall confine themselves to the main trails. Any or all roads and trails in the parks and monuments may be closed to public use by order of the superintendent or custodian when, in his judgment, conditions make travel thereon hazardous or dangerous, or when such action is necessary to protect the parks or monuments.

Motorcycles shall not be operated upon trails.

38. *Travel on roads.*—(a) Saddle horses, pack trains, and horse-drawn vehicles have right-of-way over motor-propelled vehicles at all times.

(b) Horseback travel over automobile roads is prohibited except where such travel is necessary for ingress to and egress from privately owned property in the parks or monuments, or incidental to authorized trail trips.

(c) Pack trains and saddle horse parties are prohibited from using oil surfaced roads. Where, in emergencies, it becomes necessary for such pack trains or saddle horse parties to travel along oil surfaced roads, such travel shall be confined to the unoled shoulders of the roads.

(d) All vehicles shall be equipped with lights for night travel. At least one light must be carried on the left front side of all horse-drawn vehicles in a position so as to be visible from both front and rear.

(e) Any person or persons riding saddle animals, or leading animals of any kind through any tunnel, shall display a light upon the approach of any vehicle.

(f) No vehicles may be operated in the parks or monuments outside the roadways or designated parking areas.

(g) Load and weight limitations shall be those prescribed from time to time by the superintendents or custodians, and shall be complied with by the operators of all vehicles using the roads of the parks and monuments. Schedules showing weight limitations for the different roads may be seen at the offices of the superintendents and custodians and at ranger stations at the park entrances.

(h) There shall not be operated or moved upon any road within the boundaries of any national park or monument any vehicle of any kind the face of wheels or tracks of which are fitted with flanges, ribs, clamps, cleats, lugs, spikes, or any device which may tend to injure the roadway. This regulation applies to all rings or flanges upon guiding or steering wheels on any such vehicle, but it shall not be construed as preventing the use of ordinary detachable tire or skid chains.

(i) The superintendent or custodian may, with the approval of the Director of the National Park Service, establish the hours during which any of the roads within the parks and monuments shall be open to the public, and the direction of travel thereon. Information regarding such hours and direction of travel may be had upon application at the office of the superintendent or custodian, or at the ranger stations.

(j) In Acadia National Park, no motor vehicles are permitted on any road specially marked, designated, or constructed for horse-drawn vehicular traffic except for general road and roadside maintenance, repair and construction purposes, fire fighting, or in case of accident.

39. *Automobiles.*—The parks and monuments where common carrier service is established under authorization and supervision of the Government are open to automobiles operated for pleasure but not to those carrying passengers who are paying, either directly or indirectly, for the use of machines (excepting, however, automobiles used by transportation lines operating under Government franchise). Any person operating an automobile in contravention of the provisions of this regulation shall be deemed guilty of its violation.

40. *Motor trucks and busses.*—Motor trucks and busses are admitted to the parks and monuments under the same conditions as automobiles, except that the superintendents or

custodians may establish limits of size, weight, and capacity, which limits may vary, according to the different roads, tunnels, and bridges. No motor trucks are permitted in Acadia National Park, except those used in connection with road maintenance or other authorized park projects.

Commercial truck trailers will be required to secure permits at entrance stations to use park roads.

Trucking over roads in the parks and monuments which are officially posted indicating no trucking is allowed shall be a violation of these regulations.

41. *Motorcycles.*—Motorcycles are admitted to the parks and monuments under the same conditions as automobiles and are subject to the same regulations, so far as they are applicable.

42. *Permits.*—Where required, no motor vehicle may be operated in the national parks without a permit, which is good only in the park or parks for which issued. The permit must be carried in the car and exhibited to the park rangers on request.

*Exceptions.*—Regulations No. 37, 38, 39, and 40 are not applicable to traffic on the Mineral King Road in Sequoia National Park or on the Kennedy Creek cut-off in Glacier National Park.

43. *Fees.*—Fees for automobile permits are as follows:

Crater Lake National Park.....	\$1.00
Glacier National Park.....	1.00
Grand Canyon National Park.....	1.00
Lassen Volcanic National Park.....	1.00
Mesa Verde National Park.....	1.00
Mount Rainier National Park.....	1.00
Sequoia and General Grant National Parks.....	1.00
Yellowstone National Park.....	3.00
Yosemite National Park.....	2.00
Zion National Park.....	1.00

Fees for motorcycle permits are as follows:

Crater Lake National Park.....	\$1.00
Glacier National Park.....	1.00
Grand Canyon National Park.....	1.00
Lassen Volcanic National Park.....	1.00
Mesa Verde National Park.....	1.00
Mount Rainier National Park.....	1.00
Sequoia and General Grant National Parks.....	1.00
Yellowstone National Park.....	1.00
Yosemite National Park.....	1.00
Zion National Park.....	1.00

No fee shall be charged residents of Coconino County, Arizona, or Kanab, Utah, entering Grand Canyon National Park, nor residents of Washington and Kane Counties, Utah, or residents of that part of Coconino County, Arizona, lying north and west of the Colorado River, entering Zion National Park, in the conduct of their usual occupation or business.

44. *Entrances.*—Automobiles, trucks, and other vehicles permitted in the parks and monuments may enter and leave by such entrances and between such hours as shall be determined by the superintendent or custodian with the approval of the Director of the National Park Service, and indicated by official signs posted for that purpose.

All vehicles shall come to a full stop at entrance stations.

45. *Speed.*—Automobiles and other vehicles shall be so operated as to be under the safe control of the driver at all times. The speed shall be kept within such limits as may be necessary to avoid accidents. Speed of automobiles and other vehicles except ambulances and Government cars on emergency trips is limited to 35 miles per hour on all roads in the parks and monuments unless a different limit be determined by the superintendent or custodian with the approval of the Director of the National Park Service, and indicated by official signs posted for that purpose.

46. *Teams.*—When teams, saddle horses, or pack trains approach, motor vehicles shall be so manipulated as to allow safe passage for the other party. In no case shall motor vehicles pass such animals on the road at a greater speed than 10 miles per hour, or in such a manner or with such noise as to frighten them.

47. *Right-of-way.*—Any vehicle traveling slowly on any of the roads in the parks or monuments, when overtaken by a faster-moving motor vehicle, and upon suitable signal from

such overtaking vehicle, shall move to the right to allow a safe passage.

When automobiles going in opposite directions meet on a grade, the ascending machine has the right-of-way, and the descending machine shall be backed or otherwise handled as may be necessary to enable the ascending machine to pass in safety.

48. *Following vehicles.*—Except in slow-moving traffic, a vehicle shall not follow another vehicle closer than 50 feet, nor closer than 15 feet at any time.

49. *Clutches and gears.*—No motor vehicle shall be operated on any highway with clutch disengaged or gear out of mesh except for the purpose of changing or shifting gears or stopping or while being towed, or when such vehicle is equipped with commercial free-wheeling devices.

50. *Lights.*—All motor vehicles except motorcycles shall be equipped with two headlights and one or more red tail-lights, the headlights to be of sufficient brilliancy to insure safety in driving at night, and all lights shall be kept lighted after sunset when the vehicle is on a road, and at all times when passing through unlighted tunnels. Headlights shall be dimmed when meeting other vehicles, riding or driving animals, or pedestrians.

51. *Sounding horn.*—The horn shall be sounded on approaching sharp curves or other places where the view ahead is obstructed, or before passing other vehicles or pedestrians, or, if necessary, before passing riding or driving animals.

52. *Muffler cut-outs.*—Muffler cut-outs shall be kept closed at all times within the limits of the parks and monuments.

53. *Accidents—stop-overs.*—If vehicles stop because of accident or for any other reason, they shall be immediately parked in such a way as not to interfere with travel on the road.

54. *Parking.*—The superintendent may limit the time allowed for parking in any parking area upon the posting of signs indicating such limit.

55. *Traffic signs.*—Drivers of all vehicles shall comply with the directions of all official traffic signs posted in the parks or monuments.

56. *Intoxication.*—No person who is under the influence of intoxicating liquor or narcotic drugs shall operate or drive a motor-driven vehicle of any kind on the roads of the parks or monuments.

#### LOCAL SUBSIDIARY REGULATIONS

Subsidiary regulations necessary to cover local situations and promulgated under general provisions contained in these regulations will be published in the FEDERAL REGISTER and may be seen at the headquarters of the parks or monuments in which they are operative.

All subsidiary regulations promulgated under general provisions contained in the Rules and Regulations approved by the Secretary of the Interior June 6, 1935, are hereby continued in force and effect until amended or repealed.

#### PENALTIES

(a) Any person who violates any of the foregoing rules or regulations in regard to any park or monument not specified in paragraph (b) hereof shall be deemed guilty of a misdemeanor and shall be punished by a fine of not more than \$500 or imprisonment for not exceeding six months, or both.

(b) Any person who knowingly and willfully violates any of the foregoing rules or regulations in regard to any of those national military parks, battlefield sites, national monuments, or miscellaneous memorials transferred to the jurisdiction of the Secretary of the Interior from that of the Secretary of War by Executive Order No. 6166, June 10, 1933, and enumerated in Executive Order No. 6228, July 28, 1933, shall be deemed guilty of a misdemeanor and punished by a fine of not more than \$100 or by imprisonment for not more than three months, or by both such fine and imprisonment.

Approved: June 18, 1936.

HAROLD L. ICKES,  
Secretary of the Interior.

[F. R. Doc. 1006—Filed, June 26, 1936; 10:40 a. m.]

## DEPARTMENT OF AGRICULTURE.

### Agricultural Adjustment Administration.

#### ORDER TERMINATING OPERATION OF LICENSE FOR MILK— ATLANTA, GEORGIA, SALES AREA

Whereas, W. R. Gregg, Acting Secretary of Agriculture of the United States of America, acting under the provisions of the Agricultural Adjustment Act, as amended, for the purpose and within the limitations therein contained, and pursuant to the applicable general regulations issued thereunder, did, on the 15th day of November 1934, issue under his hand and the official seal of the Department of Agriculture a License for Milk—Atlanta, Georgia, Sales Area, effective the 1st day of December 1934, which license was subsequently amended on August 12, 1935, and suspended on the 25th day of January 1936, said suspension being effective on and after 12:01 a. m., January 27, 1936; and

Whereas, the Secretary of Agriculture has determined to terminate the said license, as amended;

Now, therefore, the undersigned, acting under the authority vested in the Secretary of Agriculture under the terms and conditions of the said act, as amended, and pursuant to the applicable general regulations issued thereunder, hereby terminate the said license, as amended.

In witness whereof, H. A. Wallace, Secretary of Agriculture of the United States of America, has executed this Order of Termination in duplicate, and has hereunto set his hand and caused the official seal of the Department of Agriculture to be affixed in the city of Washington, District of Columbia, this 25th day of June 1936, and hereby declares that this termination shall be effective on and after 12:01 a. m., July 1, 1936.

[SEAL]

H. A. WALLACE,  
Secretary of Agriculture.

[F. R. Doc. 1012—Filed, June 26, 1936; 11:58 a. m.]

## FEDERAL TRADE COMMISSION.

Commissioners: Charles H. March, Chairman; Garland S. Ferguson, Jr., Ewin L. Davis, W. A. Ayres, Robert E. Freer.

[File No. 21-267]

#### IN THE MATTER OF APPLICATION FOR TRADE PRACTICE RULES FOR THE SCHOOL SUPPLIES AND EQUIPMENT DISTRIBUTING INDUSTRY

##### NOTICE OF OPPORTUNITY TO BE HEARD

This matter now being before the Federal Trade Commission under its Trade Practice Conference procedure, in pursuance of the Act of Congress approved September 26, 1914, (38 Stat. 717; 15 USCA, Section 41);

Opportunity is hereby extended by the Federal Trade Commission to any and all persons affected by or having an interest in the proposed trade practice rules for the School Supplies and Equipment Distributing Industry to present to the Commission their views upon the same, including suggestions or objections, if any. For this purpose they may, upon application to the Commission, obtain copies of the proposed rules. Communications of such views should be made to the Commission not later than Wednesday, July 15, 1936. Opportunity for oral hearing will be afforded July 15, 1936, at 10 a. m., Room 101, Federal Trade Commission Building, 815 Connecticut Avenue, Washington, D. C., to such persons as may desire to appear, and who have made prior written or telegraphic request to be heard orally. All briefs or other communications received concerning the proposed rules will become part of the public record subject to inspection by interested parties. After giving due consideration to such suggestions or objections as may be received concerning the rules proposed by the industry, the Commission will proceed to their final consideration.

By the Commission.

[SEAL]

OTIS B. JOHNSON, Secretary.

Entered June 24, 1936.

[F. R. Doc. 1007—Filed, June 26, 1936; 11:15 a. m.]

*United States of America—Before Federal Trade Commission*

At a regular session of the Federal Trade Commission, held at its office in the City of Washington, D. C., on the 24th day of June A. D. 1936.

Commissioners: Charles H. March, Chairman; Garland S. Ferguson, Jr., Ewin L. Davis, William A. Ayres, Robert E. Freer.

[Docket No. 2329]

IN THE MATTER OF A. KIMBALL COMPANY, ET AL.

ORDER APPOINTING EXAMINER AND FIXING TIME AND PLACE FOR TAKING TESTIMONY

This matter being at issue and ready for the taking of testimony, and pursuant to authority vested in the Federal Trade Commission, under an Act of Congress (38 Stat. 717; 15 U. S. C. A., Section 41),

It is ordered that John L. Hornor, an examiner of this Commission be, and he hereby is, designated and appointed to take testimony and receive evidence in this proceeding and to perform all other duties authorized by law.

It is further ordered that the taking of testimony in this proceeding begin on Monday, July 13, 1936, at nine o'clock in the forenoon of that day, eastern standard time, at Room No. 313, United States Post Office, 9th Street, Philadelphia, Pennsylvania.

Upon completion of testimony for the Federal Trade Commission, the Examiner is directed to proceed immediately to take testimony and evidence on behalf of the respondent. The Examiner will then close the case and make his report.

By the Commission.

[SEAL]

OTIS B. JOHNSON, *Secretary*.

[F. R. Doc. 1008—Filed, June 26, 1936; 11:15 a. m.]

*United States of America—Before Federal Trade Commission*

At a regular session of the Federal Trade Commission, held at its office in the City of Washington, D. C., on the 24th day of June A. D. 1936.

Commissioners: Charles H. March, Chairman; Garland S. Ferguson, Jr., Ewin L. Davis, W. A. Ayres, Robert E. Freer.

[Docket No. 2767]

IN THE MATTER OF INTERNATIONAL ART COMPANY, A CORPORATION, ET AL.

ORDER APPOINTING EXAMINER AND FIXING TIME AND PLACE FOR TAKING TESTIMONY

This matter being at issue and ready for the taking of testimony, and pursuant to authority vested in the Federal Trade Commission, under an Act of Congress (38 Stat. 717; 15 U. S. C. A., Section 41),

It is ordered that W. W. Sheppard, an examiner of this Commission, be, and he hereby is, designated and appointed to take testimony and receive evidence in this proceeding and to perform all duties authorized by law.

It is further ordered that the taking of testimony in this proceeding begin on Wednesday, July 8, 1936, at ten o'clock in the forenoon of that day, in room 424 of the Federal Trade Commission building, 815 Connecticut Avenue NW., Washington, D. C.

Upon completion of testimony for the Federal Trade Commission, the examiner is directed to proceed immediately to take testimony and evidence on behalf of the respondent. The Examiner will then close the case and make his report.

By the Commission.

[SEAL]

OTIS B. JOHNSON, *Secretary*.

[F. R. Doc. 1009—Filed, June 26, 1936; 11:16 a. m.]

*United States of America—Before Federal Trade Commission*

At a regular session of the Federal Trade Commission, held at its office in the City of Washington, D. C., on the 24th day of June A. D. 1936.

Commissioners: Charles H. March, Chairman; Garland S. Ferguson, Jr., Ewin L. Davis, William A. Ayres, Robert E. Freer.

[Docket No. 2826]

IN THE MATTER OF CHARLES N. MILLER COMPANY, A CORPORATION

ORDER APPOINTING EXAMINER AND FIXING TIME AND PLACE FOR TAKING TESTIMONY

This matter being at issue and ready for the taking of testimony, and pursuant to authority vested in the Federal Trade Commission, under an Act of Congress (38 Stat. 717; 15 U. S. C. A., Section 41),

It is ordered that Miles J. Furnas, an examiner of this Commission, be, and he hereby is, designated and appointed to take testimony and receive evidence in this proceeding and to perform all other duties authorized by law.

It is further ordered that the taking of testimony in this proceeding begin on Monday, July 13, 1936, at one o'clock in the afternoon of that day, eastern standard time, at Court Room No. 4, Federal Building, Boston, Massachusetts.

Upon completion of testimony for the Federal Trade Commission, the Examiner is directed to proceed immediately to take testimony and evidence on behalf of the respondent. The Examiner will then close the case and make his report.

By the Commission.

[SEAL]

OTIS B. JOHNSON, *Secretary*.

[F. R. Doc. 1010—Filed, June 26, 1936; 11:16 a. m.]

INTERSTATE COMMERCE COMMISSION.

ORDER

RECORDING AND REPORTING OF STEAM RAILWAY ACCIDENTS

At a Session of the Interstate Commerce Commission, Division 4, held at its office in Washington, D. C., on the 8th day of June A. D. 1936.

The subject of the recording and reporting of steam railway accidents being under consideration:

It is ordered, That the order of October 24, 1935, requiring the keeping of a special record of accidents to employees and a monthly report of such accidents, be and it is hereby amended by extending the period for the recording and the reporting thereof to December 31, 1936.

By the Commission, division 4.

[SEAL]

GEORGE B. MCGINTY, *Secretary*.

[F. R. Doc. 1011—Filed, June 26, 1936; 11:57 a. m.]

SECURITIES AND EXCHANGE COMMISSION.

SECURITIES ACT OF 1933

CONTRACTS WITH UNITED STATES GOVERNMENT

The Securities and Exchange Commission, acting pursuant to authority conferred upon it by the Securities Act of 1933, as amended, particularly Sections 7 and 19 (a) thereof, and finding that the information specified in Schedule A of the Act which is permitted by the rule hereby adopted to be omitted from any registration statement in respect of a specified class of issuers is inapplicable to such class, and that disclosure fully adequate for the protection of investors is otherwise required to be included in the registration statement; and that any information not specified in Schedule A which is required by such rule to be set forth in the registration statement is necessary and appropriate in the public interest and for the protection of investors; and that the rule hereby adopted is necessary to carry out the provisions



of the Act and is necessary and appropriate in the public interest and for the protection of investors, hereby adopts the following rule under the Securities Act of 1933:

**RULE 581. Contracts with United States Government.**—(a) Notwithstanding any particular provision in any form for registration or instruction pertaining thereto, the registrant need not file as an exhibit to the registration statement a copy of any contract as to which all the following conditions are satisfied:

(1) The contract is one to which the United States is a party, and involves the constructing or supplying of equipment or materials, or the furnishing of experimental facilities, services, or information for the Army, Navy, Marine Corps, or Coast Guard in connection with the national defense;

(2) A copy of the contract is on file with an executive department of the United States; and

(3) The registrant has been notified in writing that such executive department has administratively determined that the subject of such contract relates to and affects the national defense and that disclosure thereof would be contrary to the public interest.

The registrant shall file as an exhibit to the registration statement, in lieu of the copy of the contract omitted pursuant to this paragraph, a copy of each notification received from such executive department with respect to the filing of copies of the contract or of information as to its terms.

(b) Notwithstanding any particular provision in any form for registration or instruction pertaining thereto, the registrant need not, in answering any item in the form for registration calling for a summary of the terms of any contract of the type described in paragraph (a), furnish any information as to any terms of the contract relating directly or indirectly to any of the following subjects as to which the registrant has been notified in writing that the executive department, with which a copy of the contract is on file, has administratively determined that such subjects relate to and affect the national defense and that disclosure thereof would be contrary to the public interest:

(1) Quantity of equipment or materials to be constructed or supplied;

(2) Designations of type, descriptions, specifications, deliveries, tests, or guarantees of performance with respect to such equipment or materials; or

(3) Nature and extent of experimental facilities, services, or information to be furnished.

The answer to the item shall include a statement in approximately the following form:

Information as to certain terms of the contract(s) has been omitted pursuant to the Rules and Regulations of the Securities and Exchange Commission, the registrant having been notified that the \_\_\_\_\_ Department (naming the executive department) has determined that such information relates to and affects the national defense and that disclosure thereof would be contrary to the public interest. Such notification is filed as Exhibit \_\_\_\_\_.

(c) Public disclosure will not be made of the contents of any notification filed pursuant to paragraph (a), or of any portion of the information as to the terms of the contract required to be furnished notwithstanding the provisions of paragraph (b), if the Commission determines that such disclosure would impair the value of the contract and is not necessary for the protection of investors. In any case where the registrant desires the Commission to make such a determination, the procedure set forth in Rule 580 shall be followed, except that there shall be filed, in lieu of the three copies of the contract or portion thereof required by paragraph (b) (i) of such Rule, three copies of the notification and three copies of the information as to the terms of the contract which the registrant desires to keep undisclosed, all clearly marked "Confidential."

The foregoing rule shall be effective immediately upon publication.

By the Commission:

[SEAL] FRANCIS P. BRASSOR, *Secretary*.

[F. R. Doc. 1014—Filed, June 26, 1936; 12:37 p. m.]

*United States of America—Before the Securities and Exchange Commission*

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C., on the 25th day of June A. D. 1936.

[File No. 32-23]

IN THE MATTER OF THE DECLARATION OF SOUTHWESTERN DEVELOPMENT COMPANY

NOTICE OF OPPORTUNITY FOR HEARING AND ORDER DESIGNATING OFFICER TO CONDUCT PROCEEDINGS

A declaration under Section 7 (a) of the Public Utility Holding Company Act of 1935 having been duly filed with this Commission whereby the Southwestern Development Company proposes to issue to the Guaranty Trust Company of New York promissory notes payable within five years, pursuant to an agreement to renew and extend an existing and matured indebtedness of approximately \$6,300,000.

It is ordered, that the matter be set down for opportunity for hearing on the 10th day of July 1936, at 10:00 o'clock in the forenoon of that day at Room 726-C, Securities and Exchange Building, 1778 Pennsylvania Avenue NW., Washington, D. C.; and

It is further ordered, that John H. Small, an officer of the Commission, be and he hereby is designated to preside at such hearing, and authorized to adjourn said hearing from time to time, to administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence and require the production of any books, papers, correspondence, memoranda or other records deemed relevant or material to the inquiry, and to perform all other duties in connection therewith authorized by law; and

It is further ordered, that any interested state, state commission, state securities commission, municipality, or other political subdivision of a state, or any representative of interested consumers or security holders, or any other person, desiring to be admitted as a party in this proceeding or to offer evidence in this matter, shall give notice of such intention to the Commission, such notice to be received by the Commission not later than July 5, 1936.

Upon the completion of the taking of testimony in this matter, the officer conducting said hearing is directed to close the hearing and make his report to the Commission.

By the Commission.

[SEAL]

FRANCIS P. BRASSOR, *Secretary*.

[F. R. Doc. 1016—Filed, June 26, 1936; 12:54 p. m.]

*United States of America—Before the Securities and Exchange Commission*

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C., on the 26th day of June A. D. 1936.

[File 36-22]

IN THE MATTER OF THE APPLICATION OF THE MIDDLE WEST CORPORATION

NOTICE OF OPPORTUNITY FOR HEARING AND ORDER DESIGNATING TRIAL EXAMINER

An application having been duly filed with this Commission by The Middle West Corporation, pursuant to Section 10(a) (1) of the Public Utility Holding Company Act of 1935, for approval of the acquisition of 9,000 shares of \$3 Cumulative Preferred Stock, without par value, of Copper District Power Company, which securities applicant proposes to acquire, at the price of \$45 per share, in exchange for \$405,000 principal amount of 5% notes payable of said Copper District Power Company now held by applicant;

It is ordered, that the matter be set down for hearing on July 13, 1936, at two o'clock in the afternoon of that day, at Room 1101, Securities and Exchange Building, 1778 Pennsylvania Avenue, NW., Washington, D. C.; and

It is further ordered, that Charles S. Lobingier, an officer of the Commission, be and he hereby is designated to preside

at such hearing, and authorized to adjourn said hearing from time to time, to administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, and require the production of any books, papers, correspondence, memoranda or other records deemed relevant or material to the inquiry, and to perform all other duties in connection therewith authorized by law; and

It is further ordered, that any interested state, state commission, state securities commission, municipality, or other political subdivision of a state, or any representative of interested consumers or security holders, or any other person desiring to be admitted as a party in this proceeding or to offer evidence in this matter, shall give notice of such intention to the Commission, such notice to be received by the Commission not later than July 8, 1936.

Upon the completion of the taking of testimony in this matter, the officer conducting said hearing is directed to close the hearing and make his report to the Commission.

By the Commission.

[SEAL]

FRANCIS P. BRASSOR, *Secretary*.

[F. R. Doc. 1013—Filed, June 26, 1936; 12:37 p. m.]

*United States of America—Before the Securities and Exchange Commission*

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C., on the 26th day of June A. D. 1936.

[File No. 32-24]

IN THE MATTER OF THE APPLICATION OF THE NARRAGANSETT ELECTRIC COMPANY

NOTICE OF OPPORTUNITY FOR HEARING AND ORDER DESIGNATING TRIAL EXAMINER

An application, pursuant to Section 6 (b) of the Public Utility Holding Company Act of 1935, having been filed with this Commission by The Narragansett Electric Company, a subsidiary of a registered holding company, to exempt, from the provisions of Section 6 (a), the issue and sale of \$34,000,000 principal amount of First Mortgage Bonds, Series A, 3½%, due July 1, 1966, the proceeds of such issue to be applied on or about July 22, 1936, toward the payment of \$34,000,000 of notes evidencing bank loans made on June 25, 1936, under a bank credit agreement dated May 28, 1936.

It is ordered that the matter be set down for hearing on the 13th day of July 1936, at 2:30 p. m., at the Securities and Exchange Commission, 1778 Pennsylvania Avenue NW., Washington, D. C., and

It is further ordered that John H. Small, an officer of the Commission, be and he hereby is designated to preside at such hearing and is authorized to adjourn said hearing from time to time, to administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence and require the production of any books, papers, correspondence, memoranda, or other records deemed relevant or material to the inquiry, and to perform all other duties in connection therewith authorized by law; and

It is further ordered that any interested state, state commission, state securities commission, municipality, or other political subdivision of a state, or any representative of interested consumers or security holders, or any other person, desiring to be admitted as a party in this proceeding or to offer evidence in this matter, shall give notice of such intention to the Commission. It is requested that all such notices shall be delivered to the Commission by mail or telegraph not later than July 10, 1936.

Upon the completion of the taking of testimony in this matter, the officer conducting said hearing is directed to close the hearing and make this report to the Commission.

By the Commission.

[SEAL]

FRANCIS P. BRASSOR, *Secretary*.

[F. R. Doc. 1017—Filed, June 26, 1936; 1:47 p. m.]

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Tuesday, June 30, 1936

No. 77

PRESIDENT OF THE UNITED STATES.

EXECUTIVE ORDER

MODIFICATION OF EXECUTIVE ORDER NO. 6910 OF NOVEMBER 26, 1934, AS AMENDED, WITHDRAWING PUBLIC LANDS IN CERTAIN STATES

By virtue of and pursuant to the authority vested in me by the act of June 25, 1910, ch. 421, 36 Stat. 837, as amended by the act of August 24, 1912, ch. 369, 37 Stat. 497, it is ordered that Executive Order No. 6910 of November 26, 1934, as amended, temporarily withdrawing all public lands in certain States for classification and other purposes, be, and it is hereby, modified to the extent necessary to enable the Secretary of the Interior to withdraw the following-described tracts of public land for reclamation purposes under and pursuant to the provisions of section 3 of the act of June 17, 1902, ch. 1093, 32 Stat. 388:

CALIFORNIA

Mount Diablo Meridian

- T. 33 N., R. 2 W.:  
Sec. 4, lots 1, 2, 3, 5, 6, 7, 8, S½N½, and SE¼;  
Sec. 6, SE¼;  
T. 34 N., R. 2 W.:  
Sec. 23, NE¼NE¼;  
Sec. 30, lots 1, 2, E½NW¼, and W½E½;  
T. 33 N., R. 3 W.:  
Sec. 6, NE¼SE¼ and SW¼SE¼;  
Sec. 8, E½NE¼, SW¼NE¼, W½, and SE¼;  
Sec. 10, N½SE¼ and SE¼SE¼;  
Sec. 12, NE¼NE¼, W½SW¼, SE¼SW¼, NE¼SE¼, and S½SE¼;  
T. 34 N., R. 3 W.:  
Sec. 6, N½NE¼ and S½SE¼;  
Sec. 14, NW¼NW¼;  
Sec. 15, lots 1, 2, 3, 4, and 6, NE¼, NE¼NW¼, SE¼NW¼, N½NW¼SE¼, N½NE¼SE¼, SE¼NE¼SE¼, and NE¼SE¼SE¼;  
Sec. 20, N½NE¼, SW¼NE¼, NW¼SE¼, and W½;  
Sec. 21, lot 12 and W½NW¼;  
Sec. 24, E½ and S½SW¼;  
Sec. 26, E½ and SW¼;  
Sec. 30, N½NE¼;  
Sec. 34, SW¼;  
T. 35 N., R. 3 W.:  
Sec. 32, NE¼NE¼NE¼, S½NE¼NE¼, S½NE¼, S½NW¼, and S½;  
T. 33 N., R. 4 W.:  
Sec. 1, lots 9, 10, 11, and 12;  
Sec. 2, lot 1 and 4;  
Sec. 10, SE¼NW¼ and lot 1;  
T. 34 N., R. 4 W.:  
Sec. 4, NW¼NW¼, NE¼, N½SE¼, and SE¼SE¼;  
Sec. 6, lots 2, 3, S½NE¼, and SE¼NW¼;  
Sec. 10, NE¼;  
Sec. 12, NE¼SE¼ and S½S½;  
Sec. 16, N½NE¼ and W½;  
Sec. 20, N½NE¼, SE¼NE¼, and N½NW¼;  
Sec. 23, N½SE¼;  
Sec. 24, all;  
Sec. 23, W½NE¼ and NW¼;  
Sec. 30, lots 1, 2, 3, 4, NW¼, W½SW¼, and SE¼SW¼;  
T. 35 N., R. 4 W.:  
Sec. 26, W½NE¼, W½, and SE¼;  
Sec. 30, NW¼NW¼;  
T. 32 N., R. 5 W.:  
Sec. 4, lots 1, 2, 3, 4, 6, 7, 8, E½ lot 9, E½ lot 11, and lot 12, SW¼NW¼SW¼, N½SW¼NW¼ and W½SW¼SW¼;  
Sec. 8, NE¼, N½NW¼, SE¼NW¼, E½SW¼, and lots 1, 2, and 3;  
Sec. 9, NE¼, NW¼NW¼NW¼, E½SE¼NW¼, W½NE¼SW¼, and N½NE¼SE¼;  
Sec. 14, N½NE¼SE¼NW¼, SW¼NW¼, N½NW¼, N½SW¼, and SW¼SW¼;  
Sec. 17, lots 2, 3, and 8;  
Sec. 20, lots 1, 2, 3, 4, 6, 7, NE¼NE¼, SE¼SE¼, and W½SW¼;  
T. 33 N., R. 5 W.:  
Sec. 4, lot 3, and SE¼NW¼;  
Sec. 6, N½, SW¼, and N½SE¼;  
Sec. 7, lots 1, 2, 4, 6, 7, 8, 9, 10, and 11;  
Sec. 12, SE¼;  
Sec. 14, SE¼;  
Sec. 22, NE¼, N½NW¼, SW¼SW¼, N½SE¼, SE¼SE¼, and lots 1 to 9 incl.;